

**LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 6680

BILL NUMBER: HB 1362

NOTE PREPARED: Jan 27, 2015

BILL AMENDED:

SUBJECT: License Plate Life Cycle.

FIRST AUTHOR: Rep. Sullivan

FIRST SPONSOR: Sen. Yoder

BILL STATUS: As Passed House

FUNDS AFFECTED: ☒ **GENERAL**
☐ **DEDICATED**
☐ **FEDERAL**

IMPACT: State

Summary of Legislation: This bill provides that the cycle for issuance and replacement of certain license plates is not less than 5 years and not more than 10 years. (Current law requires a 5-year cycle for the license plates.) The bill also makes a technical correction.

Effective Date: July 1, 2015.

Explanation of State Expenditures: *Summary:* If the current life cycle of license plates issued by the Bureau of Motor Vehicles (BMV) is extended to 10 years (the current life cycle is 5 years), this bill could save the state between \$47.48 M and \$51.41 M between FY 2016 and FY 2020 (an average of \$9.5 M to \$10.3 M per year). The estimated state savings per fiscal year are reported in the following table.

Fiscal Year	Estimated State Savings
2016	\$6.86 M - \$7.43 M
2017	\$9.95 M - \$10.78 M
2018	\$13.37 M - \$14.49 M
2019	\$10.18 M - \$11.02 M
2020	\$7.09 M - \$7.68 M
Total	\$47.48 M - \$51.41 M

Additional Information: The BMV reports the following state costs per license plate type for CY 2014.

Plate Type	Cost Per Plate
One Color	\$5.76
Multiple Colors	\$6.25
Motorcycle	\$4.64

Funds to pay for license plates come from the BMV License Plate Fund, which receives funding from General Fund appropriations. The following table shows how many license plates would be at the end of their life cycle and eligible for reissuance by year.

Fiscal Year	License Plates Eligible for Replacement
2016	1.20 M
2017	1.74 M
2018	2.34 M
2019	1.78 M
2020	1.24 M
Total	8.3 M

Of all vehicles registered with the BMV that receive a license plate, 3.5% are motorcycles. The remaining vehicles will receive either a license plate at a state cost between \$5.76 and \$6.25.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: BMV.

Local Agencies Affected:

Information Sources: BMV registration data; Alex Miller, BMV.

Fiscal Analyst: Bill Brumbach, 232-9559.